BRITISH COLUMBIA

BC STATS

Service BC
Ministry of Labour & Citizens' Services

Infoline

Contact: bcstats.infoline@gov.bc.ca

Issue: 07-10

March 9th, 2007

- **Unemployment rate falls to 4.0% in February, the lowest level in 31 years**
- **BC product exports slip 0.4% in January as shipments of non-resource-based products drop off**
- **Investment in residential structures increases 18.0% in 2006**

Labour Force

- **British Columbia's unemployment rate dropped to a new low of 4.0% in February.** This was the first time since 1976 (the first year for which provincial labour force data are available) that the province's jobless rate has been this low. The record-low unemployment rate was reached despite slower job growth in February. The number of people with jobs in BC inched up just 0.1% following strong growth (+1.4%) in January. At the same time, there were fewer people who were either working or looking for work (- 0.2%). Last month's decline in the size of the labour force was the first since June 2006.

  The slow job growth was largely due to a slump in the goods sector, where employment fell back 1.9%, offsetting most of the gains made in the previous month. In particular, construction (-3.3%) and forestry, fishing & mining (-8.0%) saw drop back to December 2006 levels after surging ahead in January. Manufacturing employment stalled (-0.1%). However, the utilities industry posted strong job growth in February (+17.7%), which offset similarly large declines in the previous month.

  The service sector continued to take on more workers (+0.7%). Employment was up in most service industries, with a few notable exceptions. There were 3.7% fewer jobs in accommodation & food services and employment was also down in public administration (-4.8%) and management & administrative services (-13.0%).

  Data Source: Statistics Canada

- **Both public (+0.5%) and private sector (+0.3%) employment increased in February, but there were 1.0% fewer self-employed workers.** Full-time employment continued to rise (+0.2%) but part-time employment was virtually unchanged in February. The youth unemployment rate fell to 7.8%, while the jobless rate for workers aged 25 and over dropped to 3.3%.

  Data Source: Statistics Canada

- **All regions of the province posted relatively low unemployment rates, ranging from 1.9% (*3-month moving average, unadjusted*) in Northeast to 7.1% in North Coast/Nechako.** Cariboo (-2.7%) and North Coast/Nechako (-0.2%) were the only regions where employment fell during the 12-month period ending in February. Kootenay (+12.4%) recorded the strongest job growth, with increases in other regions ranging from +0.8% in Thompson/Okanagan to +4.3% in Mainland/Southwest.

  Data Source: Statistics Canada & BC Stats

- **Canada's unemployment rate edged down to 6.1% in February, as employment inched up (+0.1%) while the size of the labour force remained unchanged.** The four western provinces continued to see jobless rates that were well below the national average.

  Data Source: Statistics Canada

The Economy

- **Exports of BC products edged down 0.4% (*seasonally adjusted*) in January as international shipments of manufactured goods such as industrial & consumer products (-8.7%) and machinery, equipment & automobiles (-2.8%) declined.** At the same time, exports of forest (+4.5%) and energy (+2.6%) products increased for a second straight month, and agriculture exports advanced 0.6%.

  Shipments to the US, the province's biggest export market, were up 2.3% in January, largely due to higher exports of resource-based products. However, international shipments to other

Report The Dynamics of Population Ageing in B.C. —A Pig in a Python?

Did you know...

One in three British Columbians say they are likely to buy a home in the next two years.

Source Ipsos Canada

destinations, accounting for about 39% of total exports in January, were off 4.3%.

Canadian exports expanded 0.9% as shipments to the US (+0.4%) and European Union (+19.1%) increased. Exports to other destinations dropped below December levels.

Data Source: Statistics Canada & BC Stats

- **The number of housing starts in the province continued to seesaw, falling 16.7% in February, after climbing (+12.6%) in the previous month.** Canadian starts were off 21.0%, as most provinces posted declines that were well into the double digits. Inclement weather may have been a factor in the downturn. *Data Source: CMHC*

- **The cost of new housing in BC's two biggest metropolitan areas continued to climb in January.** House prices in Vancouver were 6.9% higher than in January 2006, reflecting rising house values (+10.5%), as well as more expensive land (+0.5%). However, in Victoria, the index was up just 0.3%, with inflationary pressure from land prices (+4.7%) outweighing a decline in housing (-3.1%) costs. Of the 21 metropolitan areas surveyed, Calgary (+40.8%) and Edmonton (+40.2%) posted by far the biggest year-over-year increases, four times the national average (+10.1%). *Data Source: Statistics Canada*

- **The value of building permits issued by BC municipalities jumped (+26.1%, *seasonally adjusted*) in January, as permits for both residential (+16.7%) and non-residential (+51.7%) projects surged.** Investment intentions soared in Abbotsford (+299.9%) and Victoria (+102.2%), while permits in the Vancouver area, where most of the province's planned activity occurs, were also significantly higher (+41.7%) than in December. Canadian permits were also up (+11.3%), as slowdowns in Quebec (-7.4%) and Alberta (-7.2%), and four other provinces could not offset growth in BC, Ontario (+31.0%) and other parts of the country. *Data Source: Statistics Canada*

2006 in Review

- **Investment in residential housing projects in the province increased 18.0% in 2006, extending a long streak of double-digit growth into a fifth year.** Spending on new apartment (+30.1%), single- (+25.8%) and double-family (+24.0%) dwellings increased more than twenty percent, while spending on improvements to existing housing was up 7.4%. Acquisition costs were up 24.2%. BC and Alberta (+26.8%) were the only provinces where investment in housing increased at double-digit rates, although Saskatchewan (+9.9%) was just shy of that level. The national increase was 8.5%, with every province except PEI (-2.7%) recording gains.

Data Source: Statistics Canada

Senior Population

- **Between 1981 and 2005, the number of seniors in BC rose from just over 300,000 to nearly 590,000 and their share of the total population jumped from less than 11% to almost 14%.** The ageing population will accelerate further over the next 20 years as members of the baby boom generation start turning 65 in 2011. By 2026, the number of seniors in the province is projected to reach 1.2 million, nearly a quarter (22%) of the provincial population. The rest of the country shows a similar trend as the number of Canadian seniors nearly doubled between 1981 and 2005 (from 2.4 million to 4.2 million), and their share of the total population jumped from 10% to 13%.

  Among other characteristics, seniors are living longer and are better educated than they were in previous decades. Between 1991 and 2003, life expectancy at the age of 65 rose by 1.2 years. As more boomers enter their 60s, the share of the labour force comprised of older workers will increase. Between 1996 and 2004, the participation rate among men aged 55 to 64 increased by about 8 percentage points, among women of the same age group, the participation rate increased by 13 percentage points (from 36% to 49%) over the same period. Labour force participation among seniors may also be affected by their level of education. Between 1990 and 2004, the share of Canadian men aged 55 to 64 with a post-secondary degree jumped from 10% to 21%. Among women in this age group, the share with a university degree increased three-fold (from 5% to 15%).

Data Source: S.C. Cat. #89-519-XIE

***Infolink** Issue: 07-10*
March 9th, 2007

For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

Infoline Report

Issue: 07-10
Mar. 9, 2007

Contact: Jennifer Hansen (250) 387-0337
Originally published in *Business Indicators* Issue 07-01

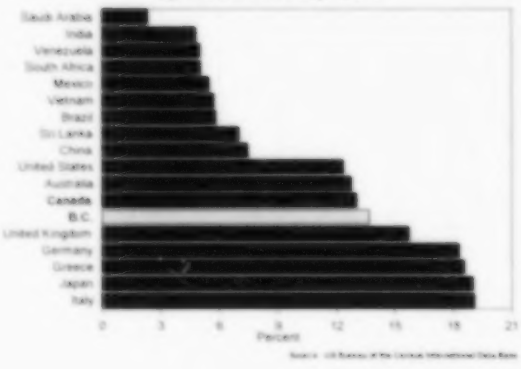
The Dynamics of Population Ageing in B.C.—A Pig in a Python?

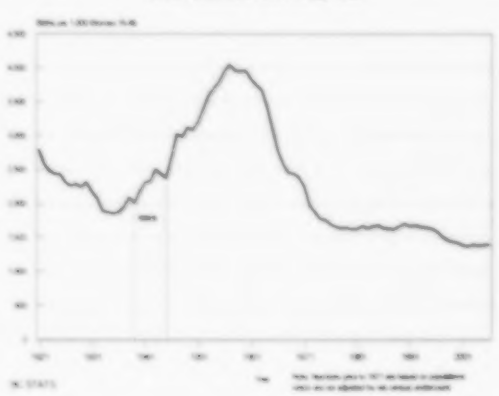
Population ageing is the process by which seniors become a progressively larger share of the total population. It was one of the most significant features of the British Columbia population during the twentieth century, and it will continue to make itself felt well into the twenty first. This shift in age structure will impact a broad range of social, economic and political conditions. It will continue to affect everything from government policy and the distribution of public resources to how we spend our leisure time.

Where Are We Now?

The ageing of the population is a phenomenon shared throughout most of the world, although in different time frames and at different rates. B.C.'s proportion of seniors ranks up with the more industrialized countries, but it is lower than those of the United Kingdom, Germany, Greece, Japan and Italy.

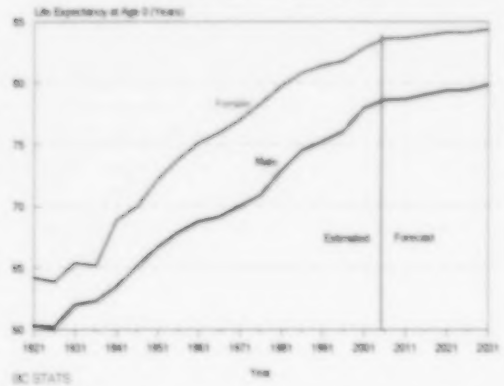
Population ageing was largely caused by a sustained decline in fertility levels. As women began having fewer children, the proportion of children in the population began to decline. The post-war Baby Boom slowed this process for a while, as higher fertility rates during that time period boosted the number of children in the population relative to other age groups. Since then, fertility has continued its pattern of decline, reaching historic lows in recent years. More recently, mortality declines in the older age groups is increasingly significant in swelling the relative size of older cohorts. In particular, improvements in interventions and medications may help older individuals survive for a longer period with chronic, degenerative diseases such as cancer and heart disease. B.C. has the highest life expectancy in Canada and one of the highest in the world.





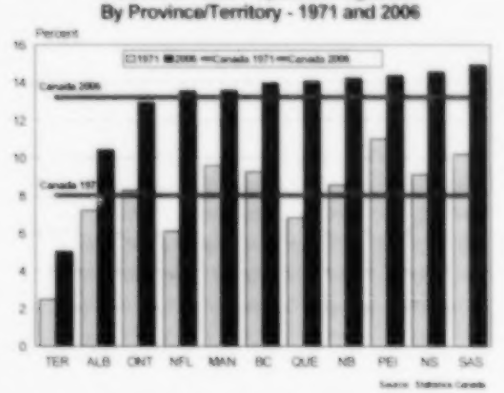
BC Stats, Box 9410 Stn Prov Govt, Victoria, BC V8W 9V1
Tel: (250) 387-0327 Fax: (250) 387-0329 Web: www.bcstats.gov.bc.ca E-mail: bcstats.infoline@gov.bc.ca

Life Expectancy - Male and Female



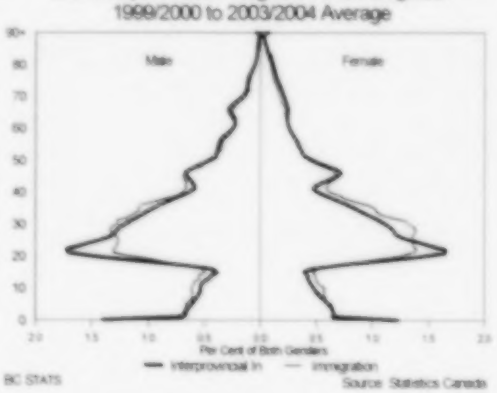
B.C. has the sixth oldest population in Canada. Patterns of migration and the age of migrants moving into and out of a region help determine its age structure. Migrants tend, on average, to be younger than the general population so regions with high in-migration tend to be younger than those with high net out-migration or low net in-migration.

Percent of Total Population Aged 65+
By Province/Territory - 1971 and 2006

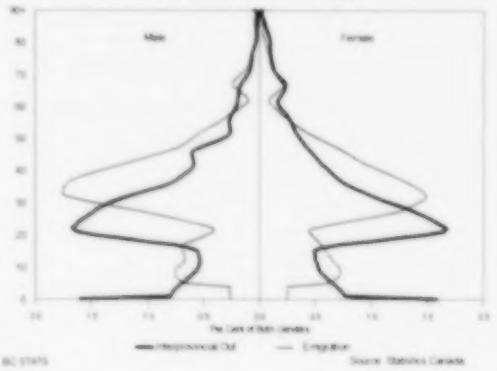


Although the largest proportions of in-migrants to British Columbia tend to be under the age of 40, out-migrants also tend to be relatively young. However, the overall gain in population through migration means that B.C. will likely age at a slower rate than some other provinces. For example, Saskatchewan and New Brunswick have higher proportions of seniors because, generally speaking, more people leave than move into these regions.

B.C. Interprovincial In-Migration and Immigration
1999/2000 to 2003/2004 Average

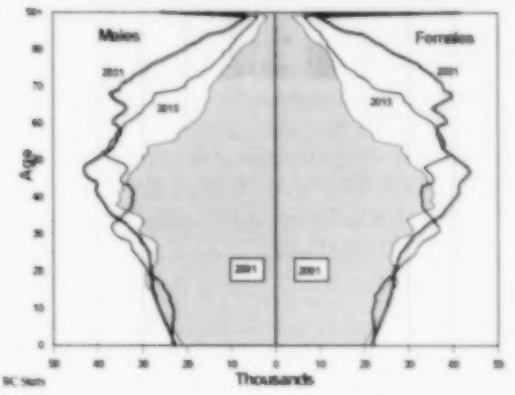


B.C. Interprovincial Out-Migration Emigration
1999/2000 to 2003/04 Average



The Shape of the Future...

British Columbia's population will continue to age



BC Stats, Box 9410 Stn Prov Govt, Victoria, BC V8W 9V1
Tel: (250) 387-0327 Fax: (250) 387-0329 Web: www.bcstats.gov.bc.ca E-mail: bcstats.infoline@gov.bc.ca

Over the next 25 years, B.C. is expected to continue to grow both more populous and older. The baby boom cohort, which served to delay population ageing in its early years, will now accelerate the ageing process. The leading edge of the baby boom will turn 65 in 2011. However, the peak number of births in a single year during the baby boom occurred in 1960, and about 30% of the births occurred during the last five years of the period, from 1960 to 1964. The ranks of the baby boom cohort in B.C. has also grown through migration and, since the last baby boomer will not celebrate his or her 65th birthday until around 2029, this cohort will have a strong influence on the age structure of B.C.'s population for many decades to come. The median age has increased by seven years in the last two decades to almost 40 years, and is expected to add another 6.5 years over the next 25 years. By 2031 it is anticipated that about 1 in 4 B.C. residents will be aged 65 or older.

Regional Differences

Although migration generally slows population ageing at the provincial level, movement and redistribution of the population among different regions of the province can have variable effects. Amenities and opportunities in different regions of B.C. may act to draw people of specific ages to the region, while the lack of other amenities/opportunities may act to provide a push for other age groups to move out. In other words, people of different ages tend to look for different things in the place in which they choose to live. Amenities can include things like recreational opportunities, specialized medical services, or a peer group with whom to socialize.

As a result, some regions of the province have a population that is older than the province as a whole, while some are younger. Although the population in every region in the province is getting older, the process occurs at different rates, largely due to the predominant type of migrants it either receives or sends.

Percent of Total Population Aged 65 and Older

	Estimated			Projected		
HSDA	1981	2001	2006	2006	2021	2031
South Vancouver Island	16.7	17.5	17.4	17.4	24.6	29.6
East Kootenay	8.2	13.7	14.0	14.5	23.1	29.0
Kootenay Boundary	11.5	15.8	16.6	17.0	24.3	28.4
Richmond	7.3	11.2	12.7	13.8	23.3	27.9
Central Vancouver Island	10.6	17.3	17.9	18.3	23.3	26.6
Okanagan	14.5	19.4	19.7	19.7	23.1	26.5
North Shore/Coast Garibaldi	10.1	13.7	14.2	14.6	21.8	26.0
Thompson Cariboo	6.6	13.2	14.1	14.7	21.3	25.2
British Columbia	**10.7**	**13.2**	**13.7**	**14.0**	**19.9**	**24.4**
North Vancouver Island	6.4	12.4	13.5	13.9	20.0	24.3
Fraser South	8.8	11.6	11.8	12.1	18.7	23.5
Northern Interior	3.5	8.0	8.7	9.3	17.5	23.2
Fraser North	10.4	10.9	11.4	11.8	17.5	22.5
Northwest	3.3	7.4	8.1	8.6	16.0	22.3
Vancouver	15.0	12.3	12.8	13.1	17.1	21.8
Northeast	4.2	7.3	7.5	7.8	14.7	21.2
Fraser East	11.6	13.7	13.7	13.9	16.9	20.6

Source: BC Stats (PEOPLE 31)

Currently the oldest regions in the province are the Okanagan, south and central parts of Vancouver Island and parts of the Kootenays and the southern interior. In addition to 'ageing in place', the proportion of seniors in the Okanagan and on Vancouver Island has been boosted by the migration of seniors to these regions. On the other hand, increases in the proportion of seniors in the northern regions of the province in the last few decades were likely influenced by an out-migration of younger people due to diminishing economic opportunities in these regions.

Percent of Total Population Aged 85 and Older

	Estimated			Projected		
HSDA	1981	2001	2006	2006	2021	2031
Richmond	0.5	1.3	1.5	1.9	2.9	4.0
East Kootenay	0.6	1.4	1.5	1.7	2.8	3.5
Kootenay Boundary	0.8	1.8	2.1	2.3	3.0	3.6
South Vancouver Island	2.0	2.9	2.8	3.1	2.9	3.6
Central Vancouver Island	0.7	1.6	1.9	2.3	3.3	3.6
Okanagan	1.0	2.2	2.4	2.6	3.3	3.6
Thompson Cariboo	0.4	1.1	1.3	1.5	2.8	3.5
North Shore/Coast Garibaldi	0.8	1.5	1.6	2.0	2.6	3.4
British Columbia	**1.0**	**1.5**	**1.6**	**1.8**	**2.5**	**3.1**
Fraser South	0.7	1.1	1.1	1.3	2.3	3.1
North Vancouver Island	0.4	1.1	1.3	1.5	2.1	2.8
Fraser North	1.1	1.3	1.4	1.6	2.0	2.6
Northern Interior	0.2	0.6	0.7	0.8	1.6	2.5
Vancouver	1.6	1.7	1.8	1.8	2.3	2.4
Fraser East	1.0	1.5	1.6	1.9	2.2	2.4
Northeast	0.3	0.6	0.6	0.7	1.5	2.3
Northwest	0.2	0.5	0.6	0.8	1.6	2.3

Source: BC Stats (PEOPLE 31)

Although the oldest seniors make up a small proportion of the total population, their numbers are growing, and the rate of growth is expected to pick up over the next quarter century. Since health conditions and independence generally decline with advancing age, this implies an increase in the need for assisted living options and long-term care.

Conclusions

Some researchers have suggested that the baby boom is a 'pig in a python', meaning that this large cohort is just passing through and, after the last boomer dies, the age structure will return to a state more closely resembling the pre-baby boom era. However, the baby boom did not cause population ageing. Rather, it has altered the timing and magnitude of a process that had already begun long before they were born. The marked changes in the age structure of the population over the twentieth century are a result of long-term and sustained changes first in fertility, and more recently in mortality. Assuming the current trends continue, it seems more likely that British Columbia has experienced a more permanent change in its demographic profile.

Infoline

March 9, 2007
Issue 07-10

fax transmission information service from **BC STATS**

Email transmission information service from **BC STATS**

also on the Internet at www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Oct 1/06	% change on one year ago
BC	4,327.4	1.2
Canada	32,730.2	1.0
GDP and INCOME (Revised Nov 8)		
(BC - at market prices)	2005	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	168,855	7.2
GDP *($ 1997 millions)*	145,501	3.7
GDP *($ 1997 per Capita)*	34,173	2.4
Personal Disposable Income *($ 1997 per Capita)*	20,983	2.4
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Dec	3,527	2.1
Merchandise Exports - Dec	2,739	5.6
Retail Sales - Dec	4,486	2.4
CONSUMER PRICE INDEX	% change on one year ago	12-month avg % change
(all items - Jan 2007)		
BC	2.2	1.8
Vancouver	2.6	2.0
Victoria	1.7	1.5
Canada	1.2	1.9
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Feb '07	prev. month
Labour Force - BC	2,347	-0.2
Employed - BC	2,253	0.1
Unemployed - BC	95	-7.1
		Jan '07
Unemployment Rate - BC *(percent)*	4.0	4.3
Unemployment Rate - Canada *(percent)*	6.1	6.2
INTEREST RATES (percent)	Mar 7/07	Mar 8/06
Prime Business Rate	6.00	5.50
Conventional Mortgages - 1 year	6.40	6.05
- 5 year	6.49	6.45
US/CANADA EXCHANGE RATE	Mar 7/07	Mar 8/06
(avg. noon spot rate) Cdn $	1.1786	1.1574
US $ *(reciprocal of the closing rate)*	0.8485	0.8648
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Feb '07	one year ago
BC	743.33	3.7
Canada	733.94	2.5

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

Maps on-line (2006 Census Geography)

Maps of even the smallest geographic units for which numerous census characteristics will be produced are now available free.

www12.statcan.ca/english/census06/geo/index.cfm

Guide to the BC Economy & Labour Market

In response to requests from users of the interactive web site, the *Guide* is now also available in PDF format.

www.bcstats.gov.bc.ca/pubs/econ_gui.asp

Released this week by BC STATS

- Business Indicators, February 2007
- Tourism Sector Monitor, February 2007
- Labour Force Statistics, February 2007
- Earnings & Employment Trends, February 2007

Next week

- Exports, January 2007
- 2006 Census, Population and Dwellings (Tuesday, March 13th)

BC STATS, Ministry of Labour and Citizens' Services, Box 9410 Stn Prov Govt, Victoria, B.C. V8W 9V1
Tel: (250) 387-0327 Fax: (250) 387-0329 Web: www.bcstats.gov.bc.ca E-mail: BC.Stats@gov.bc.ca